

## **SECTION 8 BENEFITS & LIMITATIONS**

### **General Information**

The MO HealthNet Program reimburses qualified participating durable medical equipment (DME) providers for certain DME items such as: prosthetics; orthotics; respiratory care equipment; parenteral nutrition; ostomy supplies; wheelchairs, hospital beds, etc. These items must be for use in the participant's home when ordered in writing by the participant's physician or advanced practice nurse.

A participant's home may be:

- ◆ His/her own dwelling;
- ◆ An apartment;
- ◆ A relative's home; or
- ◆ A boarding home

An institution may *not* be considered a participant's home if the institution:

- ◆ Meets at least the basic requirements of a hospital; or
- ◆ Meets the basic requirements of a nursing home.

### **Services Provided in a Nursing Home**

DME is not covered for participants residing in a nursing home. DME is included in the nursing home per diem rate and not paid for separately with the exception of the following items:

- augmentative communication devices and accessories
- custom wheelchairs \*\*
- power wheelchairs
- orthotic and prosthetic devices
- total parenteral nutrition (TPN)
- volume ventilators

\*\*MO HealthNet will reimburse medically necessary custom wheelchairs for participants residing in a nursing home. A wheelchair must meet one of the following criteria, A, B, or C to be defined as a custom wheelchair:

- A. Any wheelchair with a custom seating system. A custom seating system is a wheelchair seating system which is individually made for a participant using a plaster model of a participant, a computer generated model of the participant (i.e. CAD-CAM technology), or the detailed measurements of the participant to create either: (a) a molded, contoured, or carved (foam or other suitable material) custom-fabricated seating system that is incorporated into the wheelchair base; or (b) a custom seating system made from multiple pre-fabricated components or a combination of custom fabricated materials and pre-fabricated components which have been configured and attached to the wheelchair base or incorporated into a wheelchair seat and/or back in a manner that the wheelchair could not be easily re-adapted for use by another individual.

To qualify for a custom seating system, a participant must meet all the requirements of a custom fabricated seat cushion or a custom fabricated back cushion as described in Section 13.29.G in the MO HealthNet DME Provider Manual available at <http://www.dss.mo.gov/mhd/providers/index.htm>.

The prior authorization request must document the following:

- 1) Why a prefabricated system is not sufficient to meet the participant's seating and positioning needs.
- 2) What orthopedic deformity is present and its fixed or flexible presentation.
- 3) What altered muscle tone is present and its increased or decreased presentation that affects seating and positioning.
- 4) Why any existing system is not meeting the participant's seating and positioning needs.

B. A specially sized or constructed wheelchair that is provided to a participant whose anatomical measurements require the following:

- 1) A wheelchair seat width of 25 inches or more; or
- 2) A wheelchair with a weight capacity for 400 or more pounds; or
- 3) A wheelchair with a seat to floor height of less than 15 ½ inches

C. A wheelchair with a manual tilt feature for a participant who has absent or impaired sensation in the area of contact with the seating surface or inability to carry out a functional weight shift due to one of the following diagnoses:

- 1) Spinal cord injury resulting in quadriplegia or paraplegia (344.00-344.1);
- 2) Other spinal cord diseases (336.0-336.3);
- 3) multiple sclerosis (340);
- 4) Other demyelinating disease (341.0-341.9);
- 5) Cerebral Palsy (343.0-343.9);
- 6) Anterior Horn Cell diseases including Amyotrophic Lateral Sclerosis (335.0-335.21, 335.23-335.9);
- 7) Post Polio paralysis (138)
- 8) Traumatic brain injury resulting in quadriplegia (344.09);
- 9) Spina Bifida (741.00-741.93);
- 10) Childhood cerebral degeneration (330.0-330.9);
- 11) Alzheimer's disease (331.0);
- 12) Parkinson's disease (332.0); or,
- 13) Current stage II or greater pressure ulcer (707.03, 707.04, 707.05) or past history of a stage II or greater pressure ulcer on the area of contact with the seating surface (trunk, spine or pelvis).
- 14) Severe orthopedic abnormality of the hip, spine or pelvis significantly affecting positioning.

### **Wheelchairs and Options/Accessories for Nursing Home Participants**

Effective for dates of service on or after August 1, 2008, the use of item specific Health Care Procedure Coding System (HCPCS) codes are required for all wheelchair base codes and wheelchair options/accessories for nursing home participants. The modifier

SC must be added to the HCPCS code along with the appropriate NU (purchase) or RR (rental) modifier. All wheelchair bases, initial options/accessories as well as upgrade options/accessories for nursing home residents require prior authorization (PA). All patient owned wheelchairs for nursing home residents must meet the definition of a custom wheelchair as stated above. Reimbursement for all other manual wheelchairs and options/accessories is included in the nursing home per diem. ***A PA should no longer be submitted under procedure code E1220.***

### **Wheelchair Option/Accessory Replacement and Repair**

The following changes were implemented August 1, 2008 for submitting claims for wheelchair option/accessory replacement. Reimbursement will be made for wheelchair option/accessory replacement and repair for patient owned custom or power wheelchairs for participants residing in a nursing home; however, the SC modifier must be included with the appropriate HCPCS code and RP modifier.

- ▶ The appropriate HCPCS code for the specific option/accessory must be billed. The RP modifier must always be used when the accessory is a replacement for the same part.
- ▶ Procedure code Z0160RP or Z0160RPSC may be used for replacement items that do not have a HCPCS code and have a Manufacturer's Suggested Retail Price (MSRP) of \$500.00 or less. Items with an MSRP greater than \$500.00 must be prior authorized using K0108RP and K0108RPSC.
- ▶ Items that are new additions or upgrades to a wheelchair must not be billed with RP modifier. The RP modifier is only to be used for replacement of existing options/accessories.
- ▶ Labor required for replacement of options or accessories, or repair of a wheelchair may be billed under procedure code E1340RP or E1340RPSC, repair or non-routine service for DME requiring the skill of a technician, labor component, per 15 minutes. One unit of labor is equal to 15 minutes of time.
- ▶ A Certificate of Medical Necessity Form (MN) is required for most option/accessory replacement codes and the labor code. The labor and option/accessory codes should be included on the same MN form. The MN must document the following:
  - ◆ Make and model name of the wheelchair;
  - ◆ The initial date of service for purchase of the wheelchair;
  - ◆ Medical necessity for replacement for each option/accessory code; and
  - ◆ An explanation of the time involved.

### **Repair of Durable Medical Equipment**

Repair of participant-owned durable medical equipment or prosthetic or orthotic device (whether purchased by MO HealthNet outright, purchased through rental payments or paid for by the participant) is covered if:

- The item to be repaired is a covered item under the DME program.
- The repairs do not exceed 60% of the cost of a new piece of equipment, or orthotic or prosthetic device.
- The item is not under the provider's or manufacturer's warranty.

- The repairs are not required as a result of participant abuse.
- The participant is not in an institution unless the repair is for a custom or power wheelchair or augmentative communication, orthotic or prosthetic device.
- The equipment is not being rented.
- There is a continuing medical need for the item.
- The repairs are not a result of a defect in materials or workmanship.

### **Prior Authorization Request Wheelchairs**

When submitting a prior PA request for a custom wheelchair or power mobility device, there must be comprehensive written documentation submitted with the PA request that clearly and specifically explains **all** the following:

- The diagnosis/comorbidities and conditions relating to the need for a custom or power wheelchair
- Description and history of limitations/functional deficits
- Description of physical and cognitive abilities to utilize equipment
- History of previous interventions/past use of mobility devices
- Description of existing equipment, age and specifically why it is not meeting the participant's needs
- Why a less costly mobility device is unable to meet the participant's needs (i.e., cane, walker, standard wheelchair)
- Documentation and justification of medical necessity of recommended mobility device, accessories and positioning components
- Documentation/explanation of participant's ability to safely tolerate/utilize the recommended equipment

### **Basic Equipment Package**

Power wheelchairs, power operated vehicles and manual wheelchairs are required to include certain items on initial issue. These items are considered the basic equipment package. There is no separate billing/reimbursement for these items at the time of initial issue. MO HealthNet follows Medicare's guidelines regarding basic equipment packages. A complete list of items included in the basic equipment package for power wheelchairs, power operated vehicles and manual wheelchairs in the DME bulletin dated June 27, 2008 and can be found on the MO HealthNet Web page at <http://www.dss.mo.gov/mhd/providers/index.htm>.

### **Coverage of DME for Participants in a Hospital**

DME items dispensed to a participant while receiving inpatient or outpatient care is included in the hospital payment and not paid for separately under the DME program. A hospital enrolled as a DME provider *cannot* be paid through the DME program for any item covered under the DME program that is used for inpatient/outpatient care.

**Orthopedic Shoes/Modifications**

Orthopedic shoes and modifications or additions to shoes are covered only in the following situations:

- The shoe(s) is an integral part of a brace. “Integral” means the shoe(s) is necessary for completing the brace. A pair of shoes may be reimbursed even if only one shoe is an integral part of a unilateral brace.
- The shoe(s) and/or modification is medically necessary for a participant under the age of 21.

**Modifiers**

All claims submitted to MO HealthNet for consideration of payment must be submitted with a modifier in addition to the HCPCS procedure code. Services covered in the DME program may be approved for purchase, rental, or repair. Section 19 of the MO HealthNet DME Manual documents coverage of services. One of the following modifiers is required for billing services through the DME program:

NU = Purchase  
RR = Rental  
RP = Repair

**Custom Molded Seat and Back Cushion Reimbursement**

Prior authorization requests for custom molded wheelchair seat (E2609) and back (E2617) cushions are manually priced at 85% of the manufacturer's suggested retail price (MSRP). The maximum reimbursement for each code is \$1,300.00. Charges for all modifications and mounting hardware is added together to determine the total MSRP. Charges for molding fees and other labor charges are not to be included in the MSRP rate. These charges are not separately payable for cushions for new wheelchairs. Labor is allowed for repairs and replacement cushions. Section 13.29.G of the MO HealthNet DME provider manual contains the criteria for all wheelchair seat and back cushions.

**Rental of Durable Medical Equipment**

The Certificate of Medical Necessity (CMN) or PA request for equipment are reviewed in order to determine initially if the item should be purchased or rented based on the diagnosis and prognosis of the participant and the anticipated period of need prescribed by the participant's physician. If the period of need indicates it is less expensive to purchase the equipment, the MO HealthNet Division (MHD) elects to purchase the equipment; likewise, if it is less expensive to rent the equipment, MHD elects to rent the equipment. The following are guidelines for rental of DME.

- ➡ If a participant is ineligible for the MO HealthNet program during a portion of the rental month, rental is paid only for the days the participant is eligible.
- ➡ When rental payments reach the MO HealthNet allowed purchase price, the item becomes the property of the participant. The MHD automatically purchases the

- equipment by adding 12% of the maximum allowed purchase price to the final rental payment. **Wheelchair codes K0001, K0002, K0003, K0004, K0006 and K0007 are exempt from this additional 12% reimbursement as well as the chest wall oscillation device, E0483, and cough stimulating device, E0482.**
- With the exception of electronic crossover claims, DME providers are to bill by calendar month. Billing for the rental of equipment should state only one month for each line item, billing multiple line items for multiple months on the same claim is acceptable. Claims for participants who are on spenddown will deny if they are not billed by calendar month.
- The MO HealthNet program does not reimburse the provider or the participant for replacement of a rented DME item that is stolen, lost or destroyed.
- When billing for the rental of a DME item, the from and to dates of the claim must always be completed. The units of service should always be "1" unless otherwise specified.

### **Pre-Certification Process for Durable Medical Equipment**

The MHD is implementing pre-certification (Smart PA™) requirements for DME services. Pre-certification serves as a utilization management tool, allowing payment for services that are medically necessary, appropriate and cost-effective without compromising the quality of care to MO HealthNet participants.

Pre-certification requests for DME is a two-step process. Requests for pre-certification are initiated by enrolled MO HealthNet providers who write prescriptions for items covered under the DME program. Authorized DME prescribers include physicians or nurse practitioners who have a collaborative practice agreement with a physician allowing for prescription of such items. The enrolled DME provider accesses the pre-certification initiated by the prescriber to complete the second step of the pre-certification process. All requests must be approved by the MHD.

Requests for pre-certification must meet medical criteria established by the MHD in order to be approved. Medical criteria is published in provider bulletins and posted on the MHD Web site located at <http://www.dss.mo.gov/mhd/providers/index.htm>.

The following items require pre-certification (Smart PA™):

- ⇒ Small volume nebulizers, dates of service on or after 07/10/07,  
E0570 NU  
E0570 RR
- ⇒ Nebulizers, with compressor and heater, dates of service on or after 09/18/2007,  
E0585 NU  
E0558 NU
- ⇒ Compressor, air power source for equipment which is not self-contained or cylinder driven, dates of service on or after 09/18/2007,  
E0565 RR
- ⇒ Manual hospital beds, dates of service on or after 12/27/07,  
E0250 NU                      E0250 RR  
E0251 NU                      E0251 RR  
E0255 NU                      E0255 RR

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| E0256 NU | E0256 RR |
| E0290 NU | E0290 RR |
| E0291 NU | E0291 RR |
| E0292 NU | E0292 RR |
| E0293 NU | E0293 RR |
- ⇒ Semi-electric hospital beds, dates of service on or after 12/27/07,
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| E0260 NU | E0260 RR |
| E0261 NU | E0261 RR |
| E0294 NU | E0294 RR |
| E0295 NU | E0295 RR |
- ⇒ CPAP rental for one to three months, dates of service on or after 01/30/08,  
E0601 RR
- ⇒ CPAP rental for four to twelve months, dates of service on or after 01/30/08,  
E0601 RR KJ
- ⇒ CPAP humidifiers, non-heated and heated, dates of service on or after 01/30/08,  
E0561 NU  
E0562 NU
- ⇒ Ultrasonic osteogenesis stimulator, dates of service on or after 02/19/08,  
E0760 NU
- | ⇒ Diabetic shoes, dates of service on or after 04/01/08,  
| A5500 NU  
| A5501 NU
- | ⇒ Diabetic shoe inserts, dates of service on or after 04/01/08,  
| A5512 NU  
| A5513 NU
- | ⇒ Diabetic shoe modifications, dates of service on or after 04/01/08,  
| A5503 NU  
| A5504 NU  
| A5505 NU  
| A5506 NU  
| A5507 NU
- | ⇒ Respiratory assist device (RAD) with back-up, rental for months one through  
| three, dates of service on or after 05/01/08,  
| E0471 RR
- | ⇒ Respiratory assist device (RAD) with back-up, rental for months four through  
| twelve, dates of service on or after 05/01/08,  
| E0471 KJRR
- | ⇒ Respiratory assist device (RAD) without back-up, rental for months one through  
| three, dates of service on or after 05/01/08,  
| E0470 RR
- | ⇒ Respiratory assist device (RAD) without back-up, rental for months four through  
| twelve, dates of service on or after 05/01/08,  
| E0470 KJRR
- | ⇒ Chest wall oscillation device, patients under the age of 21, rent-to-purchase only  
| for dates of service on or after 07/01/08,  
| E0483 EPRR



- | ⇒ Oxygen, dates of service on or after 07/29/08,
  - E0424 RR – Stationary compressed gaseous system
  - E0431 RR – Portable gaseous system
  - E0434 RR – Portable liquid system
  - E0439 RR – Stationary liquid system
  - E0439 RRQF – Stationary liquid system, > 4 LPM and portable is prescribed
  - E0439 RRQG – Stationary liquid system, > 4 LPM
  - E1390 RR – Concentrator
  - E1390 RRQF – Concentrator, > 4 LPM and portable is prescribed
  - E1390 RRQG – Concentrator, 4 LPM
  - E0441 NU – Oxygen contents, gaseous
  - E0442 NU – Oxygen contents, liquid
  - E0443 NU – Portable oxygen contents, gaseous
  - E0444 NU – Portable oxygen contents, liquid
  - K0738 RR – Portable gaseous system, home compressor used to fill portable cylinders
- | ⇒ Apnea monitor, with recording feature, rental for months one through four, dates of service on or after 09/11/08,
  - | E0619 RR
- | ⇒ Apnea monitor, with recording feature, rental for months five through twelve, dates of service on or after 09/11/08,
  - | E0619 RRKJ
- | ⇒ Cough stimulating device, patients under the age of 21, rent-to-purchase only for dates of service on or after 09/25/08,
  - | E0482 EPRR

### **Manual Pricing**

DME items, services or supplies, which do not have a MO HealthNet maximum allowed amount established, are manually priced according to the following guidelines:

- ▶ HCY = cost + 20%
- ▶ Ostomy = cost + 20%
- ▶ Custom manual wheelchairs and accessories = 85% of the MSRP
- ▶ Power wheelchairs and accessories = 90% of the MSRP
- ▶ Augmentative communication devices and accessories = 85% of the MSRP
- ▶ Orthotics and prosthetics = cost + 20%

| NOTE: Approved PA requests for option/accessory for custom and power wheelchairs under K0108 when there is not a HCPCS code available will be priced at 85% and 90% of the MSRP respectively.